redeploy or enhance its military capacity in southern Iraq. However, Saddam Hussein has continued to conduct military activities that we believe are intended to threaten Kuwait. The defections of Saddam Hussein's family members, coupled with indications of heightened Iraqi military readiness, increased our concerns that Iraqi leadership might lash out as it did last October when we responded during Operation Vigilant Warrior. In this time of uncertainty, we felt it prudent to improve the deterrence and warfighting capability of U.S. forces within the U.S. Central Command area of responsibility. Accordingly, the deployment of a mechanized task force was accelerated to participate in a scheduled exercise in Kuwait and a ground theater air control system was deployed to improve our command and control capability within the region. Additionally, 13 prepositioning ships were moved into the Gulf to increase our deterrence posture.

We continue to receive good support from the Gulf States in our sanctions enforcement efforts. The Multinational Interception Force (MIF) conducting the maritime enforcement of U.N. economic sanctions against Iraq continues to serve magnificently. Since October 1994, the MIF has diverted to various Gulf ports 14 sanctions-violating vessels, which were carrying cargoes of oil or dates having an estimated cumulative value of over \$10 million. The multinational composition of the MIF has been significantly strengthened. Ships from Belgium, New Zealand, Italy, Canada, and the United Kingdom have been committed to participate in MIF operations for the remainder of 1995.

The expeditious acceptance of two recently diverted sanctions-violating vessels by Saudi Arabia and Kuwait has greatly contributed to the deterrent effect of MIF sanctions enforcement operations and has also freed enforcement vessels escorting the diverted vessels to return to patrol operations. Panama and St. Vincent and the Grenadines have deflagged three sanctions-violating vessels while Honduras has enacted stricter sanctions enforcement measures and has continued deflagging proceedings against vessels involved in violating Iraqi sanctions.

Security Council Resolution 687 affirmed that Iraq is liable under international law for

compensating the victims of its unlawful invasion and occupation of Kuwait. Although the U.N. Compensation Commission (UNCC) has approved some 355,000 individual awards against Iraq worth about \$1.39 billion, it has been able to pay only the first small awards for serious personal injury or death (aggregating \$2.7 million). The remainder of the awards cannot be paid because the U.N. Compensation Fund lacks sufficient funding. The awards are supposed to be financed by a deduction from the proceeds of future Iraqi oil sales, once such sales are permitted to resume. However, Iraq's refusal to meet the Security Council's terms for a resumption of oil sales has left the UNCC without adequate financial resources to pay the awards. Iraq's intransigence means that the victims of its aggression remain uncompensated for their losses 4 years after the end of the Gulf War.

To conclude, Iraq remains a serious threat to regional peace and stability. I remain determined that Iraq comply fully with all its obligations under the U.N. Security Council Resolutions. My Administration will continue to oppose any relaxation of sanctions until Iraq demonstrates peaceful intentions through its overall compliance with the relevant resolutions.

I appreciate the support of the Congress for our efforts, and shall continue to keep the Congress informed about this important issue.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Strom Thurmond, President pro tempore of the Senate.

Exchange With Reporters Prior to Discussions With Balkan Leaders in New York City

October 24, 1995

Balkan Peace Process

President Clinton. Let me begin by saying that I am delighted to have this opportunity to meet with President Izetbegovic and President Tudjman. We are very much

looking forward to having the chance to discuss the prospects of peace.

As all of you know, the United States is committed to peace in Bosnia, but an honorable peace, which preserves a unified state that respects the rights of all of its citizens. And we are very much looking forward to the proximity talks, which will begin in a few days in Ohio. And of course, if a peace agreement can be reached, we expect NATO and the United States to help to implement it. And we'll be discussing that today.

Q. Mr. President, are you troubled by Senator Dole's effort to bar President Milosevic from attending those talks?

President Clinton. I believe the proximity talks will be held, and I think they should be. And I don't think anyone in the United States should do anything to undermine the prospects of bringing this horrible war to a close. And I would remind anyone who thinks otherwise to remember the wisdom of Prime Minister Rabin, who told us in 1993 that you cannot make peace with your friends.

Q. How do you rate those prospects, Mr. President? Do you think this is the last best chance for peace in Bosnia?

President Clinton. It's clearly the best chance in the last 4 years. And I think I would rate the prospects as good, thanks in no small measure to the wide range of efforts made by these two Presidents, to the diplomatic mission that Mr. Holbrooke has headed so ably, and to the resolve of NATO and the United Nations in dealing with the violations of human rights in previous agreements. So I think the moment is here if we can seize it to make a successful peace agree-

Q. Do you think Dole's proposal, as you say, would undermine the proximity peace talks?

President Clinton. I think the proximity talks are necessary to make a peace. And I believe they

Q. [Inaudible]—will undermine that?

President Clinton. I've already answered that. I don't think we should do anything which undermines the prospects of having these talks go forward. And they require people who have been on all sides of the conflict to get together to make peace. That is the

responsible position, and it is the one the United States should follow and I believe will follow.

Q. And just what results do—just what results do you expect out of the talks in Ohio? What is the best possible scenario?

President Clinton. That they will agree to make a peace.

Q. Can there be a solution here in Ohio, do you think, or is this just one more step?

President Clinton. Well, that's up to them. The United States will be there to be supportive. Our Contact Group partners all—Germany, United Kingdom, France, and Russia will be there. We will all be working hard. We'll do our best to get it done.

Thank you.

Q. Do you think we're a disaster, sir?

President Clinton. That's why I laughed yesterday. I wanted to make sure you got the attribution right. You have to admit it was kind of funny, though. [Laughter]

Q. It was a moment. [Laughter]

President Clinton. We all need those moments

At this point, one group of reporters left the room, and another group entered.

Q. President Clinton, what mechanisms are you going to use in Dayton, Ohio, to convince the Serbian side that the reintegration of Eastern Slovenia is the only solution?

President Clinton. Well, first of all, the United States is hosting these talks along with our Contact Group partners—the Germans, the British, the French, and the Russiansto give the leaders the opportunity to come here to make their own peace. And we will do whatever we can to be useful in that regard. But my position is that we have to seize this moment. This is by far the best chance we have had because of the circumstances on the ground and because of the resolve of the international community, because of the diplomatic mission. And we have to seize this moment and resolve these issues. And I believe it can be done diplomatically if all the leaders proceed in good faith. And I have no reason to believe they won't.

NOTE: The President spoke at 12:30 p.m. in the Waldorf Astoria Hotel prior to meeting with President Franjo Tudjman of Croatia and President Alija Izetbegovic of Bosnia-Herzegovina. In his remarks, he referred to Prime Minister Yitzhak Rabin of Israel and President Slobodan Milosevic of Serbia. A tape was not available for verification of the content of this exchange.

Exchange With Reporters Prior to Discussions With President Jiang Zemin of China in New York City

October 24, 1995

China-U.S. Relations

Q. President Jiang, are you still hoping for a promise from President Clinton that the Taiwan President will not be allowed to visit America again?

President Jiang. We will discuss this issue. We will—[inaudible]—discuss this issue.

[At this point, one group of reporters left the room, and another group entered.]

Q. Mr. President, will human rights be an issue in your talks today with President Jiang?

President Clinton. We'll talk about a lot of things, but we're just meeting. We haven't even had a chance to say anything yet, but we'll give you a report later.

Q. Mr. President, with symbolism being so important with these kind of meetings, why would you allow the Chinese to dictate the meeting place so they could avoid confronting a Tiananmen Square display?

President Clinton. The important thing is that we're going to have this meeting. It's very important. And we'll have it. It'll be a good exchange. And then afterwards we will report about it.

Q. Well, what is the purpose of this meeting, Mr. President? Is it a face-saving gesture on both sides?

President Clinton. No. These are two great countries that have a real interest in maintaining a constructive dialog with each other and wherever possible, a partnership.

NOTE: The exchange began at 3:05 p.m. at the Lincoln Center. A tape was not available for verification of the content of this exchange.

Proclamation 6845—Veterans Day, 1995

October 24, 1995

By the President of the United States of America

A Proclamation

During both war and peace, America's armed forces have helped to preserve the fundamental rights and liberties guaranteed by our Constitution. Every day, our men and women in uniform maintain an around-the-clock vigil to ensure that our Nation remains safe from harm and our citizens free from fear. Their sacrifices, and the dedication to duty exemplified by American troops throughout our history, have advanced democracy and human dignity around the world.

For generations, brave citizens from every walk of life have answered the call to service, fighting to defend the ideals we hold dear. Through long years of separation and hardship, the selfless contributions made by our veterans have preserved the blessings of freedom. As we honor their heroism, let us also remember the families whose support and prayers have added so much. We owe a heartfelt thanks to all those whose devoted efforts—both on the battlefield and in communities across the country—have laid the strong foundation of peace and security we enjoy today.

On this 50th anniversary of the end of World War II, we take special pride in recognizing those who served the United States during that terrible conflict—the 16,535,000 men and women who risked their lives to defeat oppression. The ensuing half-century has brought momentous changes in global affairs, and the generation of veterans who triumphed over tyranny continues to hold a sacred place in our national memory.

Veterans of other wars throughout our Nation's history merit no less distinction. There are some 27 million veterans in America today whose service ranges from World War I, through the Cold War, to the Persian Gulf War and our other recent military missions around the globe. Thanks to their loyalty and courage, this country remains a symbol of hope for all those who seek democracy and